

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1120 be amended to read as follows:

- 1 Page 2, line 33, strike "existed before the qualified investment was
2 made." and insert "**is attributable to the taxpayer's qualified**
3 **investment.**".
- 4 Page 2, between lines 40 and 41, begin a new paragraph and insert:
5 "SECTION 3. IC 6-3.1-26-23 IS AMENDED TO READ AS
6 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 23. **(a)** If the director
7 determines that a taxpayer who has received a credit under this chapter
8 is not complying with the requirements of the tax credit agreement or
9 all the provisions of this chapter, the director shall, after giving the
10 taxpayer an opportunity to explain the noncompliance, notify the
11 department of commerce and the department of state revenue of the
12 noncompliance and request an assessment.
- 13 **(b) Except as provided in subsection (c),** the department of state
14 revenue, with the assistance of the director, shall **determine and** state
15 the amount of the assessment, which may not exceed the sum of any
16 previously allowed credits under this chapter.
- 17 **(c) If a taxpayer who has received a tax credit under this**
18 **chapter reduces the taxpayer's payroll at the location of the**
19 **taxpayer's qualified investment below the level required in the**
20 **taxpayer's tax credit agreement, the department of state revenue**
21 **shall compute the assessment required under this section as**
22 **follows:**
- 23 **STEP ONE: Determine the sum of the tax credits claimed by**

1 the taxpayer under this chapter that are attributable to the
2 qualified investment at the location of the reduced payroll.

3 **STEP TWO: Determine the amount of the payroll at the**
4 **location of the qualified investment required under the**
5 **taxpayer's tax credit agreement.**

6 **STEP THREE: Determine the amount of the payroll at the**
7 **location of the qualified investment at the time of the**
8 **director's determination that the taxpayer is not complying**
9 **with the terms of the tax credit agreement.**

10 **STEP FOUR: Subtract the STEP THREE amount from the**
11 **STEP TWO amount.**

12 **STEP FIVE: Divide the STEP FOUR result by the STEP**
13 **TWO amount.**

14 **STEP SIX: Multiply the STEP FIVE result by the STEP ONE**
15 **sum.**

16 **(d)** After receiving the notice, the department of state revenue shall
17 make an assessment against the taxpayer under IC 6-8.1.".

18 Renumber all SECTIONS consecutively.

(Reference is to HB 1120 as printed January 28, 2005.)

Representative Cheney